

Marketing & Sales Department Guidelines

The Marketing and Sales Department is responsible for developing and carrying out the business's marketing strategy. This involves training the sales force, keeping sales records, developing sales incentive programs, and planning advertising and publicity campaigns.

This job may be challenging because many members of the business are often reluctant to aggressively sell the business's products/services. The Vice-President's creativity, enthusiasm, and example will help stimulate sales and guarantee the success of your business.

Specific duties of the Vice-President of Marketing and Sales include the following:

DEVELOP AND MONITOR THE MARKETING & SALES SECTION OF THE BUSINESS PLAN

A carefully developed Marketing Plan will help identify potential customers, set a fair price, design an advertising or distribution strategy, and develop a sales training and initiative program. The Vice-President will be responsible for implementing the plan and for monitoring progress.

MANAGE INVENTORY OF FINISHED GOODS

The Vice-President will manage the inventory of all finished goods. Accept products into inventory as they are completed by the Production Department. Maintain a record of orders, sales and inventory. Keep tabs on inventory in the hands of members. **Do not let participants accumulate products at home without bringing in money from sales.**

MAINTAIN SALES AND INVENTORY RECORDS AND MAKE REPORTS

The record keeping system allows you to track the inventory in the hands of company members, record individual sales and commissions and summarize sales data by company members. This helps you track progress toward sales goals.

The product inventory value at any given time will generally exceed the business's profit goal many times over. Finished products should therefore be treated as if they were cash. Keep an accurate account of the number and location of all unsold products. The *Inventory Record* will provide the vehicle for this control.

Common Inventory Control Problems	Means of Prevention
Large inventory in the hands of some salespeople; consequently, other sales-people cannot be adequately supplied.	Have all unsold products turned in once a week to verify count and to make repairs Do not issue product arbitrarily (e.g., one per member per day).
Products damaged in locker from stacking or mishandling.	Use protective packaging. Assign one member to oversee inventory.
Product cannot be accounted for.	Formally transfer each day's production to the Sales Department.

CONFIRM THE COMMISSIONS due each member to the Vice-President of Human Resources when payroll is prepared. Approve the *Personal Sales Tracking Form* from each member and pass on to the Vice-President of Human Resources.

CHANGE COMMISSION RATE

The Vice-President of Marketing and Sales is responsible for the accuracy of the commission rates. Change the commission rates as needed.

PROVIDE LEADERSHIP AND SUPERVISE SALES

As in the case with the other Vice-Presidents, you will need to set an example. Every company member is expected to sell some products or services. You will help conduct sales training, but more importantly, you will need to demonstrate a willingness and ability to be a sales leader.

In some companies there might be a Sales Manager, an Advertising Manager and a Record Keeper. You will be expected to meet with them regularly to provide advice and supervision.

Sales Training

Most company members will be making direct sales. You will learn about basic direct-selling techniques. Plan to review those techniques with all of your business's members. Devote the bulk of your training to practicing sales presentations. Practice is fun, and it makes selling easier. First, demonstrate the technique, then have the members practice.

After a few practice presentations, encourage members to try their skills in the "real world." Make sure your sales staff understand that they will not be 100 percent successful, or for that matter even 50 percent. One success out of seven or eight calls is just about the average.

Training Follow-up

From time to time refresher sales training may be necessary to review basic selling techniques or to motivate the staff. The time can also be used to re-evaluate the basic sales strategy. To build self-confidence, pair up experienced and inexperienced salespeople for team selling. Ask successful members to demonstrate their sales presentation.

If a number of salespeople are not meeting their goals, go back and review the total marketing plan. Check the following:

- **Price**
Is it too high? Check the competition.
- **Product/Service**
Does it fill a need? Is it attractive? Does it do what it is supposed to? Consider modifying or phasing out the product.
- **Management**
Is enthusiasm being generated? Are members being adequately trained?
- **Incentives**
Are they adequate to provide motivation? Consider raising commissions or instituting a weekly or monthly sales contest.

Most problems can be overcome if the salespeople really want to sell the product or service, conversely, if they are not motivated, even the best products will collect dust.

SET SALES GOALS, AWARDS AND INCENTIVES

The Vice-President of Marketing and Sales is responsible for setting sales goals and presenting ways to accomplish them. You will need to consult the Production and Human Resources Departments before establishing your sales goals. Your decisions will be influenced by the number of products the business can produce, the break-even point, and the number of company members.

Break down the business's goals into individual objectives. There is a basic motivation to succeed in everyone, but specific standards are required for self-direction and evaluation.

Involve the salespeople in the establishment of company and individual goals. This participation will lead to a stronger commitment toward venture objectives.

	Annual	Weekly
Company Goals:	\$ _____	\$ _____
Individual Goals:	\$ _____	\$ _____

Sales contests and awards can act as a powerful motivating force. Your business may wish to employ sales incentives. Listed below are a number of ideas used successfully by other companies.

- Bonus of \$ _____ for first person to sell \$ _____.
- Bonus of \$ _____ for high salesperson for the week.
- Place all sales slips in a box and have a drawing for a prize. Obviously, the more a member sells, the greater the chances of winning.

You might initiate a Company Sales Contest to recognize sales at various levels (\$25 through \$1,000, for example). Special recognition may be given to company members who have reached 50% or 100% of their personal sales goals by a specified week. In addition, weekly recognition can be given to salespeople who have shown the greatest improvement.

Devise your own award system for sales contest winners. This can take the form of monetary awards in the form of movie tickets, gift certificates, or gift certificates at local restaurants. These can be paid for out of the business's budget.

In addition, sales awards may be available from your local JA office. Contact the Human Resources Manager for information regarding these awards. (The Human Resources Manager is responsible for informing members about individual awards, and for arranging award presentations.)

Do not forget that a well-placed word of praise is often more effective than a monetary award.

ADVERTISING, SALES PROMOTION, AND PUBLICITY

Advertising is the creation and placement of public messages to help sell a product or service. Advertisements should include the three basic elements of any sale:

The Approach. Gains attention and creates interest

The Presentation. Describes key product features, explains benefits, and overcomes anticipated objections in a positive manner.

The Close. Asks for the order, for example, "Send \$5.00 plus \$.050 postage and handling to the A.I.M. Company. . . "

The advertising media found to be most effective for JA products and services are school newspaper ads, advertising flyers, and posters. Before you spend any money though, identify your market's viewing and reading habits. If you use advertising flyers, have salespeople distribute them in neighbourhoods a few days before you make sales calls.

Promotion is anything that will help sell the product or service. Promotional items include direct-selling aids (free samples, pamphlets, etc.) as well as signs and displays for retail locations. This is a good job for someone with imagination and artistic talent.

Publicity is free advertising in the form of news articles. Contact local newspapers and TV talk shows — they may find your business or product newsworthy. Clear all media contact with the Junior Achievement office.

RECORD KEEPING RESPONSIBILITIES

Samples are provided in the Appendix.

Inventory Record and Sales Record

The purpose of these two forms is to record cash receipts and products checked out and sold each week.

- Record the number of products sold by each company member.
- Record the total amount of cash received from each sales transaction, by company member.
- Record the number of products returned by each company member.
- Record the number of products checked out to each company member.

Unit Production and Sales

These bar graphs are filled in by both the Marketing & Sales Department and the Production Department. The Vice-President of Production graphs the total units produced for each week (gets this information from the Production Record). The Vice-President of Marketing & Sales or the Sales Manager takes the total units sold for each product by session as recorded on the *Inventory Record* and *Sales Record*. These amounts are recorded on the bar graph.

Sales Chart

The chart records individual participant sales by session. It is a great tool to motivate company members to sell.

Production Record

This form tracks finished goods received from the Production Department and placed into inventory for selling. The Vice-President of Production turns finished goods over to the Marketing and Sales Department. This record indicates what finished products and in what quantity are turned over to Marketing and Sales. The Vice-President of Marketing and Sales must verify the information recorded by the Production Department and then put his/her initials in the appropriate place acknowledging have received the products.

Sales Order Books

The Vice-President of Marketing and Sales is responsible for handing out the Sales Order Books. These are used when a participant makes a sale. The customer gets a copy as proof of evidence of the sale, the participant keeps a copy for his records and the business gets the other copy along with the money.